Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 19-06]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 19-06 with attached Policy Justification and Sensitivity of Technology.

Dated: June 13, 2019.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12Th STREET SOUTH STE 203 ARUNGTON, VA 22232-6408

The Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives H-209, The Capitol Washington, DC 20515

MAY 8 3 2019

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 19-06 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Bahrain for defense articles and services estimated to cost \$2.478 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

Charles W. Hooper Lieutenant General, USA

Director

Enclosures:

- 1. Transmittal
- 2. Policy Justification
- 3. Sensitivity of Technology
- 4. Regional Balance (Classified document provided under separate cover)

Transmittal No. 19-06

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Bahrain

(ii) Total Estimated Value:

Major Defense Equipment* \$1.445 billion
Other \$1.033 billion

TOTAL \$2.478 billion

(iii) <u>Description</u> and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Sixty (60) Patriot Advanced Capability-3 (PAC-3) Missile Segment Enhancement (MSE) Missiles

Thirty-six (36) Patriot MIM-104E Guidance Enhanced Missiles (GEM-T) Missiles with Canisters

Nine (9) M903 Launching Stations (LS)

Five (5) Antenna Mast Groups (AMG)

Three (3) Electrical Power Plants (EPP) III

Two (2) AN/MPQ-65 Radar Sets (RS)

Two (2) AN/MSQ-132 Engagement Control Stations (ECS)

Non-MDE:

Also included is communications equipment, tools and test equipment, range and test programs, support equipment, prime movers, generators, publications and technical documentation, training equipment, spare and repair parts, personnel training, Technical Assistance Field Team (TAFT), U.S. Government and contractor technical, engineering, and logistics support services, Systems Integration and Checkout (SICO), field office support, and other related elements of logistics and program support.

- (iv) Military Department: Army (BA-B-UKY)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex.
- (viii) Date Report Delivered to Congress: May 3, 2019

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Bahrain – Patriot Missile System and Related Support and Equipment

The Government of Bahrain has requested to buy sixty (60) Patriot Advanced Capability-3 (PAC-3) Missile Segment Enhancement (MSE) missiles, thirty-six (36) Patriot MIM-104E Guidance Enhanced Missiles (GEM-T) missiles with canisters, nine (9) M903 Launching Stations (LS), five (5) Antenna Mast Groups (AMG), three (3) Electrical Power Plants (EPP) III, two (2) AN/MPQ-65 Radar Sets (RS), and two (2) AN/MSQ-132 Engagement Control Stations (ECS). Also included is communications equipment, tools and test equipment, range and test programs, support equipment, prime movers, generators, publications and technical documentation, training equipment, spare and repair parts, personnel training, Technical Assistance Field Team (TAFT), U.S. Government and contractor technical, engineering, and logistics support services, Systems Integration and Checkout (SICO), field office support, and other related elements of logistics and program support. The estimated cost is \$2.478 billion.

This proposed sale will support the foreign policy and national security of the United States by improving the security of a Major Non-NATO ally which is a force for political stability and economic progress in the Middle East. This sale is consistent with U.S. initiatives to provide key allies in the region with modern systems that will enhance interoperability with U.S. forces and increase security.

The proposed sale will enhance Bahrain's interoperability with the United States. Bahrain will use Patriot to improve its missile defense capability, defend its territorial integrity, and deter regional threats. Bahrain will have no difficulty absorbing this system into its armed forces.

The proposed sale of these missiles will not alter the basic military balance in the region.

The prime contractor for the PAC-3 Missile is Lockheed-Martin in Dallas, Texas. The prime contractor for the GEM-T missile is Raytheon Company in Andover, Massachusetts. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require approximately 25 U.S. Government and 40 contractor representatives to travel to Bahrain for an extended period for equipment deprocessing/fielding, system checkout, training, and technical and logistics support.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 19-06

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

Annex Item No. vii

(vii) Sensitivity of Technology:

- 1. The Patriot Air Defense System contains classified CONFIDENTIAL hardware components, SECRET tactical software and critical/sensitive technology. Patriot ground support equipment and Patriot missile hardware contain CONFIDENTIAL components and the associated launcher hardware is UNCLASSIFIED. The items requested represent significant technological advances for Bahrain. The Patriot Air Defense System continues to hold a significant technology lead over other surface-to-air missile systems in the world.
- 2. The Patriot sensitive/critical technology is primarily in the area of design and production know-how and primarily inherent in the design, development and/or manufacturing data related to certain components. The list of components is classified CONFIDENTIAL.
- 3. Information on system performance capabilities, effectiveness, survivability, missile seeker capabilities, select software/software documentation and test data are classified up to and including SECRET.
- 4. If a technologically advanced adversary were to obtain knowledge of the hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.
- 5. A determination has been made that the Government of Bahrain can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.
- 6. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Bahrain.

[FR Doc. 2019-12917 Filed: 6/18/2019 8:45 am; Publication Date: 6/19/2019]